

**MINUTES OF THE STANDING COMMITTEE ON  
RETIREE HEALTH CARE REFORMS**

**Thursday, August 2, 2007                      10:30 a.m.      Room 521 House Office Building, Lansing**

Representative Meadows, Chair, called the meeting to order.

**MEMBERS PRESENT: Representatives Meadows, Coulouris, Spade, Johnson, Calley, Knollenberg. (6/7)**

**ABSENT/EXCUSED: Representative Wenke. (1/7)**

Representative Calley made a motion to adopt the minutes of the meeting of July 19, 2007. No objections being offered, a unanimous ballot was cast to accept the minutes as presented.

Representative Coulouris made a motion to adopt Thursdays, 10:30 a.m., Room 521 House Office Building as the regular day, time and location for the Standing Committee on Retiree Health Care Reforms. No objections being offered, the day, time and location were adopted by unanimous consent.

Representative Johnson made a motion to adopt the Uniform Committee Rules. No objections being offered, the Uniform Rules were adopted by unanimous consent.

Representative Spade made a motion to excuse absent members. No objections being offered, absent members were excused.

David Zion, Accounting Analyst, representing Credit-Suisse, reviewed a research report entitled "You Dropped a Bomb on Me, GASB." Topics discussed included: GASB (Governmental Accounting Standards Board) and the effect on state and local governments; a summary of GASB 45 (moving from pay-as-you-go to accrual); OPEB (Other Post Employment Benefits); the percentage of large firms offering retiree health care benefits (1988-2006); the largest estimated OPEB underfunding per capita; the ARC (Annual Required Contribution); changing behavior regarding assets and obligation; changes by large private sector employers that made changes to retiree health benefits between 2005 and 2006; increasing participant contributions; and incentives to prefund OPEB. Questions and discussion followed.

There being no additional business before the Committee, Chair Meadows declared the meeting adjourned, the time being 12:11 p.m.

---

Representative Mark Meadows, Chair

Catherine Petroskey, Committee Clerk (517) 373-8538